JUNIPER NETWORKS (UK) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

REGISTRATION NUMBER 03845874

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JUNIPER NETWORKS (UK) LIMITED
COMPANY INFORMATION
For the year ended 31 December 2023

DIRECTORS	Ketan Kumar Vithalbhai R. Patel Stephen Byrne
REGISTERED NUMBER	03845874
REGISTERED OFFICE	Rourke House Watermans Business Park The Causeway Staines, TW18 3BA United Kingdom
BANKERS	Bank of America 2 King Edward Street London EC1A 1HQ United Kingdom
AUDITORS	Ernst & Young Chartered Accountants Harcourt Centre Harcourt Street Dublin 2 Ireland

JUNIPER NETWORKS (UK) LIMITED
STRATEGIC REPORT
For the year ended 31 December 2023

The directors of Juniper Networks (UK) Limited ("the Company") present the annual report containing a strategic report, directors' report and the financial statements for the year ended 31 December 2023.

THE STRATEGIC REPORT

PRINCIPAL ACTIVITIES

The company is engaged in the business of procuring, marketing, distributing, and selling Juniper's high-performance networking products and services in United Kingdom.

BUSINESS REVIEW AND RESULTS FOR THE YEAR

The statement of profit and loss and other comprehensive income for the year ended 31 December 2023 and the statement of financial position at that date are set out on pages 13 and 15. The profit for the year before taxation amounted to $16,724,549 (2022: $14,360,838). After charging tax of $3,966,844 (2022: $2,686,841), a surplus of $12,757,705 (2022: $11,673,997) was carried to reserves. Shareholders' funds at 31 December 2023 amounted to a surplus of $ 47,542,568 (2022: $50,648,210).

The performance in 2023 is in line with the expectations of the directors, and the directors believe the results for the year reflect the ongoing activities of the Company. Revenue from contracts with customers has increased from $286,445,655 in 2022 to $287,942,928 in 2023. The Cost of sales from operational activities has increased from $194,864,220 in 2022 to $195,514,100 in 2023.The gross profit percentage remain constant from 32% in 2022 to 32% in 2023.

The Company is the distributor within the region of UK with defined return on sales and continues to maintain it's operating profit margin on the sales.

The $1.5M increase in revenue is on account of steady sales support across all verticals and customer solutions. Juniper's commitment to delivering products that simplify operations and deliver a superior end-user experience, also called experience-first networking, is resonating with the customers, allowing the organisation to capitalise on several large and growing markets.

During the year company has paid dividend of $25,000,000 (2022: Nil) to its shareholders.

PRINCIPAL RISKS AND UNCERTAINITIES

The directors consider that the following are the principal risk factors that could materially and adversely affect the Company's future financial results or financial position:

•The risk of the current economic climate reducing demand for internet protocol secure networking solutions and in turn the related support services provided by the Company

•Competition in the sector may reduce the demand for the Company's products
•The risk of adverse exchange movements
•The governmental regulations economic sanctions and other legal restrictions that affect international trade can negatively affect the company's revenue and operating results

The Company has controls in place to limit each of these potential exposures and management and the directors regularly review, reassess and proactively limit the associated risk. These risks are managed by continued product innovation while also paying close attention to customer service levels.

SUBSEQUENT EVENTS

A. Group Merger & Acquisition :
On January 9, 2024, Hewlett Packard Enterprise (HPE) and Juniper Networks Inc. ("Ultimate holding company" or "Juniper Inc") announced that the companies entered into a definitive Merger Agreement under which HPE will acquire Juniper Inc in an all-cash transaction. Under the terms of this agreement, Juniper Inc shareholders will receive $40 per share in cash upon the completion of the transaction, representing an equity value of approximately $14 billion. The transaction is currently expected to close in late calendar year 2024 or early calendar year 2025, subject to receipt of regulatory approvals and satisfaction of other customary closing conditions. The shareholders of Juniper Inc have approved the transaction by shareholders resolution.

The possible acquisition of Juniper Inc. by HPE as outlined in the definitive Merger Agreement above is not expected to have any impact on the company's ability to continue as a going concern and it is our view that the company will continue to operate at a going concern in the next twelve (12) months from the date of approval of the financial statements for the year ended 31 December 2023.

SUBSEQUENT EVENTS (Continued)

B. Change in Registered Address:

Effective 01 March 2024, company has change its registered office from 3 Lotus Park, The Causeway, Staines-Upon-Thames, United Kingdom, TW18 3AG, United Kingdom to C/O Rourke House, Watermans Business Park, The Causeway, Staines, TW18 3BA , United Kingdom.

FINANCIAL RISK MANAGEMENT

The Company's operations expose it to a variety of financial risks that include the effects of changes in foreign exchange rates and creditworthiness. The Company has no exposure to debt market prices and little exposure to liquidity and interest rate risk due to the actions implemented by the ultimate parent company, Juniper Networks Inc., located in the USA. At a group level the Company has in place a risk management program that seeks to manage the financial exposures of the Company through the measurement of financial metrics, internal controls and hedge contracts for foreign exchange risk. Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies are set by the Board of directors and are implemented by the Company's finance department. The department has policies and procedures that set out specific guidelines on managing the financial risk and the circumstances where it would be appropriate to use financial instruments.

A statement in relation to financial risk management is set out in note 17 to the financial statements.

ANALYSIS OF FINANCIAL KEY PERFORMANCE INDICATORS

The Company measures its performance on a number of Key Performance Indicators such as revenue, cost of goods sold, gross margin etc., which are monitored at a group level, including budgets and cost variances. The performance of the Company is detailed in "Business Review and Results for the Year" section of the Strategic Report.

DUTY TO PROMOTE SUCCESS OF THE COMPANY

The directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members and key stakeholders. The directors when making key decisions for the Company have considered the impact of their decisions to the Company's key stakeholders and to wider society by building scalable, reliable, secure and cost-effective networks for its customers' businesses, while achieving agility, efficiency and value through automation.

One of the Company's core values is to deliver excellence to its customers. The Company perseveres for solutions that remove complexity and gives its customers true advantage over their competition. Whatever the challenge, each and every day the Company's customers set out to build the best, most secure networks for their unique challenges and Juniper is there to help them succeed. The Company believes that its systems and software represent innovations that transform the economics and experience of networking, helping its customers achieve superior performance, greater choice, and flexibility, while reducing overall total cost of ownership.

The Company recognises its employees are a critical success factor for the Company, hence it seeks to assist its employees to succeed through a positive culture and continuous improvement. There are a number of measures in place to keep employees up to date on recent developments of the Company and allow employee engagement with senior management, through face to face meetings and electronic media.

By order of the Board:

Signed by:
Ketan Patel

Ketan Kumar Vithalbhai Rambhai Patel
Director

JUNIPER NETWORKS (UK) LIMITED
DIRECTORS' REPORT
For the year ended 31 December 2023
Registration No. 03845874

The directors present their report for the year ended 31 December 2023.

REVIEW OF THE DEVELOPMENT OF THE BUSINESS
The review of the development of the business is included in the strategic report on page 4.

RESULTS FOR THE YEAR AND STATE OF AFFAIRS AS AT 31 DECEMBER 2023
The results for the year and state of affairs as at 31 December 2023 are included in the strategic report on page 4.

DIVIDENDS
The Company paid dividends of $ 25,000,000 during the year ended 31 December 2023 (2022: Nil).

FUTURE DEVELOPMENTS
It is the intention of the directors to develop the current activities of the Company. The Company expects to execute on the Juniper Group product and solutions strategy with a specific focus on enterprises to support and meet their digitalisation transformation projects.

FINANCIAL INSTRUMENTS
The financial assets and liabilities, such as trade debtors and trade creditors, arise directly from the Company's operating activities.

The Company uses derivatives to partially offset its market exposure to fluctuations in certain foreign currencies. The Company does not enter into derivatives for speculative or trading purposes.

A statement in relation to the financial instruments is set out in note 17 to the financial statements.

RESEARCH AND DEVELOPMENT
The Company is not directly engaged in the field of research and development.

RISK STATEMENT
A statement in relation to the risk factors affecting the business has been included in the strategic report on page 4.

DIRECTORS' INTERESTS
The directors who served throughout the year are set out on page 3 of the financial statements. There are no directors' interest requiring disclosure under the Companies Act 2006.

CHARITABLE / POLITICAL CONTRIBUTIONS
The Company did not make any charitable / political contributions during the year ended 31 December 2023 (2022: $ Nil).

GOING CONCERN
In preparing the financial statements, the directors consider it appropriate to continue to use the going concern assumption on the basis that the Company has sources of cash flow and the Company's ultimate parent company, Juniper Networks Inc., has indicated that it will provide such financial support to the Company to enable it to meet its obligations as they fall due for a period of at least 12 months from the date of the approval of the financial statements, but only in the event funds are not otherwise available to the Company to meet its liabilities.

The response to the impact of macroeconomic geopolitical conditions are set out in the Principal Risks and Uncertainties section on page 4.

SIGNIFICANT EVENTS DURING THE YEAR

- Termination of appointment of Julie Ann Appelbe as a director as on 30 October 2023.
- Senior Accounting Officer (SAO) Certification is applicable to Juniper Networks UK Ltd from year 2023.
- HMRC initiated Tax inspection during the year relating to Year 2021 and closure letter was received subsequently on 18th September 2024 without any assessment.

SUBSEQUENT EVENTS

There were no significant events affecting the Company since the year end to the date of approval of these financial statements. Please refer strategic report on Page 4.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The ultimate holding company of the Company, Juniper Networks Inc., has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report and financial statements.

HEALTH AND SAFETY

The Company has adopted a safety statement in accordance with the requirements of the Health and Safety at Work Act 1974.

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were members of the board at the time of approving the directors' report are listed on page 3. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware; and

- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

Ernst & Young have expressed their willingness to continue in office in accordance with provisions of section 485 of the Companies Act 2006.

By Order of the Board:

Signed by:
Ketan Patel

Ketan Kumar Vithalbhai Rambhai Patel
Director

JUNIPER NETWORKS (UK) LIMITED
DIRECTORS' RESPONSIBILITIES STATEMENT
For the year ended 31 December 2023

The directors are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with FRS 101 - Reduced Disclosure Framework (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that the financial statements comply with the above requirements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Board:

Signed by:
Ketan Patel
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Ketan Kumar Vithalbhai Rambhai Patel

Director

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JUNIPER NETWORKS (UK) LIMITED

Opinion

We have audited the financial statements of Juniper Networks (UK) Limited (the "Company") for the year ended 31 December 2023 which comprise the Statement of Profit and Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, and the related notes 1 to 25, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JUNIPER NETWORKS (UK) LIMITED (continued)

Other information

The other information comprises the information included in the strategic report and the directors' report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the strategic report and the directors' report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JUNIPER NETWORKS (UK) LIMITED (continued)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are FRS 101, the Companies Act 2006 and the relevant direct and indirect tax compliance regulations in the United Kingdom;
- We understood how the Company is complying with those frameworks by making enquiries of management to understand how the Company maintains and communicates its policies and procedures in these areas. We corroborated our enquires through reading the board minutes, and we noted that there was no contradictory evidence;
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by assuming revenue recognition to be a fraud risk and inquiry of management, those charged with governance and others within the Company, as to whether they have knowledge of any actual or suspected fraud. Where this risk was considered higher, we performed audit procedures to address the fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error;
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing journals identified by specific risk criteria, reading board minutes to identify any non-compliance with laws and regulations and enquiries of management.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JUNIPER NETWORKS (UK) LIMITED (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young

Allison C Legge (Senior statutory auditor)
for and on behalf of Ernst & Young Chartered Accountants and Statutory Audit Firm
Dublin

Date: 26 September 2024

JUNIPER NETWORKS (UK) LIMITED
STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2023

	Notes	2023 $	2022 $
Revenue from contracts with customers	3	287,942,928	286,445,655
Cost of sales	6	(195,514,100)	(194,864,220)
GROSS PROFIT		92,428,828	91,581,435
Distribution costs		(2,223,549)	(3,772,625)
Administrative costs	6	(76,752,978)	(74,592,971)
OPERATING PROFIT		13,452,302	13,215,839
Interest received	5.1	3,334,304	1,206,449
Interest payable and similar charges	5.2	(62,057)	(61,450)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		16,724,549	14,360,838
Tax on profit on ordinary activities	6, 7	(3,966,844)	(2,686,841)
PROFIT FOR THE FINANCIAL YEAR		12,757,705	11,673,997
OTHER COMPREHENSIVE INCOME			
Items that can be reclassified to profit or loss			
(Loss)/ Gain on currency hedge		2,890,211	(7,000,668)
Reclassification adjustment for (gain) loss included in profit and loss		3,669,113	4,411,990
Tax on items that can be reclassified to profit or loss	7a	(1,639,835)	781,534
Other comprehensive income for the year	17.3	4,919,489	(1,807,144)
TOTAL PROFIT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR		**17,677,194**	**9,866,853**

There were no recognised gains or losses in either year other than the profit attributable to shareholders of the Company. The results for the year shown above are derived entirely from continuing operations.

The notes on pages 16 to 40 form an integral part of these financial statements.

JUNIPER NETWORKS (UK) LIMITED
STATEMENT OF FINANCIAL POSITION
As at 31 December 2023

	Notes	2023 $	2022 $
NON CURRENT ASSETS			
Tangible assets	8	470,778	1,001,260
Right of use assets	9	366,566	1,837,124
Debtors (amounts falling due after one year)	10, 17	48,186,627	36,474,716
		49,023,971	**39,313,100**
CURRENT ASSETS			
Inventories	11	4,008,309	3,392,285
Debtors (amounts falling due within one year)	12, 17	140,364,560	131,858,604
Cash and Cash equivalents	23	38,300,487	62,191,070
		182,673,356	**197,441,959**
CURRENT LIABILITIES			
Creditors (amounts falling due within one year)	13,17	129,701,705	135,463,077
Provision for liabilities	14	873,040	1,082,756
Lease liabilities	9	63,384	203,315
		130,638,129	**136,749,148**
NET CURRENT ASSETS		**52,035,227**	**60,692,811**
NON CURRENT LIABILITIES			
Provision for liabilities	14	333,808	261,253
Creditors (amounts falling due after one year)	15	53,182,822	47,619,109
Lease liabilities	9	-	1,477,339
		53,516,630	**49,357,701**
NET ASSETS		**47,542,568**	**50,648,210**
CAPITAL AND RESERVES			
Called up share capital presented as equity	20	162	162
Foreign currency translation reserve		(17,411,807)	(17,411,807)
Cash flow hedge reserve		1,298,429	(3,621,060)
Retained earnings		63,655,784	71,680,915
SHAREHOLDER'S FUNDS		**47,542,568**	**50,648,210**

The notes on pages 16 to 40 form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board on 24th September, 2024 and were signed on its behalf by

Signed by:
Ketan Patel
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Ketan Kumar Vithalbhai Rambhai Patel
Director
24th September, 2024

REGISTRATION NUMBER : 03845874

JUNIPER NETWORKS (UK) LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2023

	Called up share capital presented as equity $	Foreign currency translation reserve* $	Cash flow hedge reserve $	Retained earnings $	Shareholder's funds $
As at 01 January 2022	**162**	**(17,411,807)**	**(1,813,916)**	**57,201,179**	**37,975,618**
Profit for the year	-	-	-	11,673,997	11,673,997
Other comprehensive loss (note 17.3)	-	-	(1,807,144)	-	(1,807,144)
Total profit and comprehensive income for the year (Re-presented - note 21)	-	-	**(1,807,144)**	**11,673,997**	**9,866,853**
Share-based payments (note 21)	-	-	-	2,805,739	2,805,739
Cash dividends (note 22)	-	-	-	-	-
As at 31 December 2022	**162**	**(17,411,807)**	**(3,621,060)**	**71,680,915**	**50,648,210**
Profit for the year	-	-	-	12,757,705	12,757,705
Other comprehensive loss (note 17.3)	-	-	4,919,489	-	4,919,489
Total profit and comprehensive income for the year	-	-	**4,919,489**	**12,757,705**	**17,677,194**
Share-based payments (note 21)	-	-	-	4,217,164	4,217,164
Cash dividends (note 22)	-	-	-	(25,000,000)	(25,000,000)
As at 31 December 2023	162	(17,411,807)	1,298,429	63,655,784	47,542,568

*Effective 1 August 2017, there was a change in the functional currency of the Company from British pound to USD , this change was a result of an internal review of the functional currency following the change in the business model of the company. The change in functional currency was applied retrospectively and had given rise to foreign currency translation reserve of $ 17,411,807.

1 STATEMENT OF COMPLIANCE WITH FRS 101

The Company is a private company limited by shares incorporated in the United Kingdom. The Company's registered number is 03845874 and the registered office during the year is 3 Lotus Park, The Causeway, Staines-Upon-Thames, United Kingdom, TW18 3AG, United Kingdom.

The Company's financial statements are prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

The results of the Company are included in the consolidated financial statements of Juniper Networks Inc., a company incorporated in Delaware, United States of America. Copies of its group financial statements are available from 1133 Innovation Way, Sunnyvale, CA 94089, United States of America.

2 ACCOUNTING POLICIES

2.1 Basis of preparation and going concern

The financial statements of the company have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

The financial statements have been prepared on a historical cost basis, as explained in the accounting policies below except for the following assets and liabilities which have been measured at fair value:
- certain financial assets and liabilities that is measured at fair value as explained in the accounting policies below; and
- share-based payments

In preparing the financial statements, the directors consider it appropriate to continue to use the going concern assumption on the basis that the Company has sources of cash flow and the Company's ultimate parent company, Juniper Networks Inc., has indicated that it will provide such financial support to the Company to enable it to meet its obligations as they fall due for a period of 12 months from the date of the approval of the financial statements, but only in the event funds are not otherwise available to the Company to meet its liabilities.

The Company has taken advantage of the following disclosure exemptions available under FRS 101:
a) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
(i) paragraph 79(a)(iv) of IAS 1;
(ii) paragraph 73(e) of IAS 16 Property, plant and Equipment;
b) the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 40A to 40D, 111 and 134-136 of IAS 1;
c) the requirements of IAS 7 Statement of Cash Flows;
d) the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
e) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
f) the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets* ;
g) the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payments, because: (i) the share based payment arrangement concerns the instruments of another group entity ;
h) paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but not yet effective);
i) the requirements of IFRS 7 Financial Instruments: Disclosures*;
j) the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers; and
k) paragraphs 91 to 99 of IFRS 13 "fair value measurement" (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).

2 ACCOUNTING POLICIES (continued)

2.1 Basis of preparation and going concern (continued)

l) the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91, 93 and the requirements of paragraph 58.

* Equivalent disclosures are provided in the consolidated financial statements of Juniper Networks Inc. The consolidated accounts of Juniper Networks Inc., prepared in accordance with US GAAP, are available to the public and may be obtained from 1133 Innovation Way, Building A, Sunnyvale, CA 94089, United States of America.

2.2 Judgments and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgments and estimates have had the most significant effect on amounts recognised in the financial statements:

Impairment of non-financial assets (note 2.3 (c))
Estimating the incremental borrowing rate - Leases (note 2.3 (c))
Provision for obsolete inventory (note 2.3 (e))
Provision for accrued warranty (note 2.3 (f))
Variable consideration - revenue from contracts with customers (note 2.3 (h) (ii))
Refund liabilities and right of return assets (note 2.3 (iv))
Principal vs agent (note 2.3 (v))
Taxation (note 2.3 (i))
Provision for asset retirement obligation (note 2.3 (l))
Provision for liabilities (note 2.3 (m))
Restructuring provision (note 2.3 (n))

2.3 Material accounting policies

***i)* Functional currency**

The Company's financial statements are presented in U.S. Dollar ('$'), which is also the Company's functional currency.

***ii)* Foreign currency translation**

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. However for practical reasons the company uses previous month end rate, if the same approximates the actual rate at the date of the transaction. Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively). The Company manages its currency risk by adopting effective hedge strategies, refer note 2.3 (d) (iv) and note 17.3 for more information.

2 ACCOUNTING POLICIES (continued)

2.3 Material accounting policies (continued)

ii) Foreign currency translation

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the company determines the transaction date for each payment or receipt of advance consideration.

Monetary items that are designated as part of the hedge of the Company's net investment in a foreign operation are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Other comprehensive income (OCI) comprises of "items of income and expense (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by other IFRSs".

(a) Tangible assets and depreciation

Tangible assets are stated at cost less accumulated depreciation. Depreciation is calculated to write-off the original cost or valuation less the estimated residual value of the assets over their expected useful lives as follows:

Leasehold improvements	10 years or lease tenure, whichever is lower
Furniture and fittings	3 - 5 years
Computer equipment	5 years

(b) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the non-financial asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the statement of profit and loss and other comprehensive income in those expense categories consistent with the function of the impaired asset.

For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years.

A reversal of impairment loss is recognised immediately in the statement of profit and loss and other comprehensive income, unless the asset is carried at a revalued amount when it is treated as a revaluation increase.

2 ACCOUNTING POLICIES (continued)

2.3 Material accounting policies (continued)

(c) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.
In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(iv) Finance Lease - Company as lessor

Leases where the Company transfers substantially all of the risks and benefits of ownership of the asset through its contractual arrangements to the customer are considered as a finance leases. The amount due from the lessee is recorded in the statement of financial position as financial assets (finance lease receivables) and are carried at the amount of the net investment in the lease after making provision of impairment.

Interest income
Interest on finance lease receivables is recognised as the interest accrues using the effective interest method that is the rate that exactly discounts estimated future cash receipts through the expected life of the lease to the net carrying amount of the financial asset.

2 ACCOUNTING POLICIES (continued)

2.3 Material accounting policies (continued)

(d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Classification of financial instruments

An instrument or its components, are classified on initial recognition as a financial asset, financial liability or equity in accordance with the substance of the contractual arrangements and the requirements of IFRS 9 Financial Instruments.

(ii) Financial assets

Initial recognition and measurement: The Company determines the classification of its financial assets on initial recognition. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of amounts owed by group undertaking that do not contain a significant financing component or for which the Company has applied the practical expedient as expected receivable term is less than a year, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Subsequent measurement: For purposes of subsequent measurement, financial assets held by the Company are classified in the following categories

Financial assets at amortised costs: The Company measures financial assets at amortised cost if both of the following conditions are met; (i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and (ii) based on the contractual terms the expected cash flows are solely payments of principal and interest on the outstanding principal. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

Financial assets at fair value through profit of loss: these include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Derivatives, including embedded derivatives which are accounted for as separate derivatives other than those designated at fair value through profit or loss; are classified as held for trading. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented in the statement of profit and loss and other comprehensive income.

Impairment of financial assets - the Company recognises an allowance for Expected Credit Losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For debtors, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company considers default to occur when contractual payments are outstanding greater than 360 days past due based on experience, however given the Company applies a simplified approach in calculating ECLs for debtors, the definition of default has no impact on the quantification of the provision. Debtors are written off when there is no reasonable expectation of recovering the contractual cashflows, which is based on an assessment of the Company's intention and ability to successfully recover balances through enforcement activities.

2 ACCOUNTING POLICIES (continued)

2.3 Material accounting policies (continued)

(d) Financial instruments (continued)

Derecognition of financial assets - a financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e., removed from the Company's statement of financial position) when the rights to receive cash flows from the asset have expired; or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(iii) Financial liabilities

Initial recognition and measurement: The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings(if any) and payables, net of directly attributables transaction costs.

Subsequent measurement: The measurement of financial liabilities depends on their classification as described below:

Financial liabilities at amortised cost (if any) - after initial recognition, these financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss account and other comprehensive income.

Financial liabilities at fair value through profit or loss: these include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This includes derivatives not in a hedging relationship and embedded derivatives that meet the separation criteria in IFRS 9. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented in the statement of profit and loss account and other comprehensive income.

Derecognition of financial liabilities: a liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in the statement of profit and loss account and other comprehensive income.

(iv) Hedge accounting
At the date of initial application, all of the Company's existing hedging relationships were eligible to be treated as continuing hedging relationships. Before the adoption of IFRS 9, the Company designated the change in fair value of the entire forward contracts in its cash flow hedge relationships. Upon adoption of the hedge accounting requirements of IFRS 9, the Company designates only the spot element of forward contracts as hedging instrument. The forward element is recognised in other comprehensive income and accumulated as a separate component of equity under cash flow hedge reserve, refer note 17.3 for detailed policy on hedge accounting.

(v) Offsetting of financial instruments
Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2 ACCOUNTING POLICIES (continued)

2.3 Material accounting policies (continued)

(d) Financial instruments (continued)

(vi) Fair values

The fair value of financial instruments that are traded in active markets at the reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

(e) Inventories

Inventories are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First-In First-Out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. The provision for inventory obsolescence is assessed on a periodic basis and is provided as considered necessary.

(f) Provision for accrued warranty

The Company generally offers a one year warranty on most of its hardware products, and a 90 day warranty on the media that contains the software embedded in the products. Warranty costs are recognised as part of the Company's cost of sales based on associated material costs, logistics costs, labor costs, and overhead at the time revenue is recognised. Material costs are estimated primarily based upon the historical costs to repair or replace product returns within the warranty period. Labor, logistics and overhead costs are estimated primarily based upon historical trends in the cost to support customer cases within the warranty period.

(g) Pensions

Pension benefits are funded over the employees' period of service by way of contributions to a defined contribution scheme. Contributions are charged to the statement of profit and loss and other comprehensive income as they become payable.

(h) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Revenue for hardware and certain software licenses, are recognized at a point in time, which is generally upon shipment or delivery. Certain software licenses are recognized on a ratable basis over the term of the license. Revenue for maintenance services and SaaS is recognized on a ratable basis over the contract term. Revenue from education, training, and professional services is recognized as services are completed or ratably over the contractual period of generally one year or less.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration (if any).

2 ACCOUNTING POLICIES (continued)

2.3 Material accounting policies (continued)

(h) Revenue from contracts with customers (continued)

(i) *Identify the contract with a customer :* The Company generally considers a sales contract or agreement with an approved purchase order as a customer contract provided that collection is considered probable, which is assessed based on the creditworthiness of the customer as determined by credit checks, payment histories, and/or other circumstances. The Company combines contracts with a customer if contracts are negotiated with a single commercial substance or contain price dependencies.

(ii) *Identify the performance obligations in the contract*: Product performance obligations include hardware and software licenses and service performance obligations include maintenance, software post-contract support, training, and professional services. Certain software licenses and related post-contract support are combined into a single performance obligation when the maintenance updates are critical to the continued functionality of the software.

(iii) *Determine the transaction price:* The transaction price for the Company's contracts with its customers consists of both fixed and variable consideration provided it is probable that a significant reversal of revenue will not occur when the uncertainty related to variable consideration is resolved. Fixed consideration includes amounts to be contractually billed to the customer while variable consideration includes estimates for rights of return, rebates, and price protection, which are based on historical sales returns and price protection credits, specific criteria outlined in rebate agreements, and other factors known at the time. The Company generally invoices customers for hardware, software licenses and related maintenance arrangements at time of delivery, and professional services either upfront or upon meeting certain milestones. Customer invoices are generally due within 30 to 90 days after issuance. The Company's contracts with customers typically do not include significant financing components as the period between the transfer of performance obligations and timing of payment are generally within one year.

(iv) *Allocate the transaction price:* For contracts that contain multiple performance obligations, the Company allocates the transaction price to the performance obligations on a relative standalone selling price basis. Standalone selling prices are based on multiple factors including, but not limited to historical discounting trends for products and services, pricing practices in different geographies and through different sales channels, gross margin objectives, internal costs, competitor pricing strategies, and industry technology lifecycles.

(v) *Recognise revenue when or as the Company satisfies a performance obligation*: Revenue for hardware and certain software licenses, are recognised at a point in time, which is generally upon shipment or delivery. Certain software licenses combined with post-contract support are recognised over time on a ratable basis over the term of the license. Revenue for maintenance and software post-contract support is recognised over time on a ratable basis over the contract term. Revenue from training and professional services is recognised over time as services are completed or ratably over the contractual period of generally one year or less.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration (if any).

2 ACCOUNTING POLICIES (continued)

2.3 Material accounting policies (continued)

(h) Revenue from contracts with customers (continued)

(ii) Variable consideration
The Company estimates variable consideration by using either of the following methods:
a. The expected value: It is the sum of probability-weighted amounts in a range of possible consideration amounts and is used if the Company has a large number of contracts with similar characteristics.

b. The most likely amount: It is the single most likely amount in a range of possible consideration amounts (that is, the single most likely outcome of the contract) and is used if the contract has only two possible outcomes (for example, the Company either achieves a performance bonus or does not).

Further, the Company applies a constraint wherein variable consideration is included in the transaction price only if it is probable that a significant reversal of revenue will not occur when the uncertainty (that caused the variability) is resolved. Estimated transaction price and constraint assessment is reviewed each reporting period, and any changes to transaction price will follow the same allocation basis as the initial allocation.

Variable consideration includes estimates for rights of return, rebates, penalties and price protection, which are based on historical sales returns and price protection credits, specific criteria outlined in rebate agreements, and other factors known at the time. The Company excludes all sales taxes assessed by governmental authorities from the measurement of transaction price since Company is considered an agent for the governmental authority.

Rebates
In the event that collection from the distributors is dependent upon the end-user's payment to the distributors, the Company will determine the total amount of consideration to which it expects to be entitled and for which it is probable that a significant revenue reversal will not occur (i.e. the transaction price).

The final pricing on products to the distributors is based on the final price that the distributor sells such product to the end-user. As such, at the time of sale to the distributor the Company initially records a debtor and related revenue from the distributor at full list price, net of any discounts applied to the invoice. The Company then estimates the final price to the distributor and reduces the debtor and related revenue for such variable consideration. The estimated final price is based on the estimated unsold inventory held by the distributor less estimated inventory expected to be returned through stock rotation rights (see stock rotation reserve below) multiplied by the expected rebate rate. The expected rebate rate is based on rebates granted to distributors for the most recent period ended compared to the full list price (net of invoice discounts) by product family and by geography. The expected rebate rate may be adjusted downward (to exclude significant one-time rebates in the most recent period ended and are not expected to recur) or upward (to include significant one-time rebates anticipated in a future period) as necessary.

Stock rotation reserve
Distributors are generally permitted in their agreements to exchange inventory once during a quarter based on an amount equal to a percentage of the shipment value of the inventory delivered to the distributor. This allows the distributor to replace slow-moving / obsolete inventory with products that have a higher demand. Most rotations are performed within 2 to 3 quarters from the shipment date of the inventory to distributor. The estimated stock rotation reserve is based on amounts billed to distributors for stock for a quarter (prior to application of any rebates) multiplied by the expected rotation rate. The rotation rate is estimated using a lag analysis based on amounts billed to distributors for stock in a quarter compared to actual inventory rotations for such amounts billed. Total reserve charge is recorded by product family, by geography considering weight of each category in recent periods ended. When selecting the estimate for rotation rate, the Company will review the rotation rate for a select number of recent prior quarters along with the blended rotation rate for such recent prior quarters.

2 ACCOUNTING POLICIES (continued)

2.3 Material accounting policies (continued)

(i) Revenue from contracts with customers (continued)

(ii) Variable consideration (continued)

Rights of return
The Company's contracts with its customers generally do not allow for rights of return, except for stock rotation rights (which are applicable to distributors only). However, the Company has accepted returns from all customer categories in the past under specific circumstances and anticipates accepting returns in the future. As such, the Company estimates the expected returns and records as a reduction to debtor and related revenue. The estimated return reserve is based on the average daily shipments for current period multiplied by the average return period and historical average rate of invoice returns value as a percentage of the product shipments by product family, by geography.

Partner incentive programs
The Company's Partner Incentive programs are set to increase the sales through a targeted group of partners. Participating partners must meet the eligibility criteria for the offered programs including signed contracts, training/certifications and resource requirements, as well as revenue thresholds. Quarterly targets (or annual target, if applicable) are set for eligible partners enrolled in these programs. The estimate of incentive credits is determined based on expected payment to partner in accordance with applicable program and recorded in period when the target indicators are expected to be achieved as a debit to revenue and credit against the receivable from partner.

(iii) Contract balances

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 2.3(e)(ii) Financial assets – initial recognition and measurement.

(iv) Assets and liabilities arising from rights of return

Right of return assets
Right of return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

2 ACCOUNTING POLICIES (continued)

2.3 Material accounting policies (continued)

(iv) Assets and liabilities arising from rights of return (continued)

Refund liabilities
A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Cost to obtain a contract
Sales commissions earned by the Company's sales force are considered incremental and recoverable costs of obtaining a contract with a customer. These costs are deferred and then amortised over a period of benefit which is typically over the term of the customer contracts as initial commission rates and renewal rates are the same. Amortisation expense is included in administrative costs.

(v) Principal vs agent
The Company assessed its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company determined it is acting as principal as it has exposure to the significant risks and rewards associated with the transaction and measures revenue as the gross amount received or receivable.

(i) Taxation

Current income tax
Current income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss.

Deferred tax
Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.
Deferred tax liabilities are recognised for all taxable temporary differences, except:
- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2 ACCOUNTING POLICIES (continued)

2.3 Material accounting policies (continued)

(i) Taxation (continued)

Deferred tax (continued)

The carrying amount of deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities.

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 7.

(j) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value.

(k) Share-based payments

Certain employees of the Company receive share-based payments awards of ultimate parent company. The Company utilizes the Black-Scholes-Merton ("BSM") option-pricing model to estimate the fair value of its Employee Stock Purchase Plan ("ESPP") shares. The Company determines the fair value of its restricted stock units ("RSUs"), based on the closing market price of the ultimate holding company's common stock on the date of grant, adjusted by the present value of the expected dividend. Share-based compensation expense is based on the fair value of the underlying awards and amortized on a straight-line basis over the requisite service period for each separately vesting portion of the award, net of estimated forfeitures.

The BSM model requires various highly subjective assumptions that represent management's best estimates of volatility, risk-free interest rate, expected life, and dividend yield. The expected volatility is based on the implied volatility of market-traded options on the ultimate holding company's common stock, adjusted for other relevant factors including historical volatility of the ultimate holding Company's common stock over the most recent period commensurate with the estimated expected life of the company's ESPP. The expected life of ESPP purchase rights approximates the offering period.

Equity-settled transactions

The cost of equity-settled transactions is recognised, together with a corresponding increase in other capital reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expenses. Further details are contained in note 21.

2 ACCOUNTING POLICIES (continued)

2.3 Material accounting policies (continued)

(l) Provision for asset retirement obligation ("ARO")

The Company records a provision for decommissioning costs of leasehold facilities. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

(m) Provision for liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to à provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(n) Restructuring provision

The Company recognises a provision for restructuring costs only when it has a legal or constructive obligation at the reporting date to carry out the restructuring. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The risks and uncertainties that inevitably surround many events and circumstances is taken into account in reaching the best estimate of a provision.

(o) Dividend

The Company recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of the company, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.4 Changes in accounting policies and disclosures

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

IFRS 17 Insurance Contracts

IFRS 17 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. The overall objective of IFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

• A specific adaptation for contracts with direct participation features (the variable fee approach).
• A simplified approach (the premium allocation approach) mainly for short-duration contracts.

The new standard had no material impact on the Company's financial statements.

2 ACCOUNTING POLICIES (continued)

2.4 Changes in accounting policies and disclosures (continued)

Definition of Accounting Estimates - Amendments to IAS 8
The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Company's financial statements.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2
The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.
The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12
The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The amendments had no impact on the Company's financial statements.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions where the group operates. The legislation will be effective for the financial year beginning 1 January 2024. The group is in the process of assessing the potential exposure arising from Pillar Two legislation. The assessment that is being carried out is based on the latest available tax filings and country-by-country reporting for 2023, and the latest financial information for 2024. In certain jurisdictions, information required for the assessment is still being gathered and, therefore, the assessment is not complete.

In accordance with Amendments to FRS 101 Reduced Disclosure Framework, the Company has not taken in to account the effects of Pillar Two legislation when measuring deferred taxation assets and deferred tax liabilities, nor has it recognised or disclosed information about deferred tax assets and deferred tax liabilities related to Pillar Two legislation.

3 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers relates to the sale of products and services for high-performance networks, which combine scale and performance with agility and efficiency, so customers can build the best networks for their businesses. Products relating to routing, switching and security address the high-performance networking requirements of global service providers, enterprises, governments, and research and public sector organisations that view the network as critical to their success. Software, silicon, and systems represent innovations that transform the experience and economics of networking, helping customers achieve superior performance, greater choice, and flexibility, while reducing overall total cost of ownership.

3.1 Disaggregated revenue information

As the Company is reporting under FRS 101 – Reduced Disclosure Framework, therefore it is not required to disclose disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors, specified in IFRS 15.114.

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For the year ended 31 December 2023

3.2 Right of return assets, rebates and refund liabilities

	2023	2022
	$	$
Right of return assets (note 12)	1,679,783	4,096,838
Allowance for rebate reserve (note 12)	9,210,578	13,601,687
Refund liabilities (note 13)		
Arising from stock rotation reserve	1,211,117	4,835,532
Arising from sales return reserve	1,131,042	1,031,380
Arising from other reserves	9,022,773	1,279,351
	11,364,932	7,146,263

The Company recognises right of return assets and refund liabilities in accordance with accounting policy as disclosed in note 2.3 (i) (ii).

4 EMPLOYEES AND REMUNERATION

The average number of persons employed by the Company in the financial year was 274 (2022: 263) analysed as follows:

	2023	2022
	Number	Number
Administration	64	63
Sales	210	200
	274	263

The staff costs are comprised of:	2023	2022
	$	$
Wages and salaries	45,980,633	45,211,051
Social welfare costs	7,319,091	7,293,124
Pension costs (note 16)	2,106,983	1,883,721
Share-Based payments (note 21)	4,217,164	2,805,741
	59,623,871	57,193,637

Directors' remuneration	2023	2022
	$	$
Directors' remuneration	317,692	897,422
Number of directors accruing benefits under:		
Defined contribution pension scheme	1	2
Number of directors who received shares in respect of qualifying services	1	2
Number of directors who exercised share options	-	-
In respect of the highest paid director:		
Aggregate remuneration	316,439	575,138
Accrued pension at the end of the year	1,253	1,458

5 INTEREST PAYABLE/ RECEIVABLE AND SIMILAR CHARGES

5.1 INTEREST RECEIVABLE AND SIMILAR CHARGES

	2023	2022
	$	$
Interest received	3,334,304	1,206,449
	3,334,304	1,206,449

5.2 INTEREST PAYABLE AND SIMILAR CHARGES

	2023	2022
	$	$
Interest payable and similar charges	26,705	25,085
Interest expense on lease liabilities (note 9)	35,352	36,365
	62,057	61,450

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NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2023

6 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

The profit on ordinary activities before tax is stated after charging (crediting):

	2023	2022
	$	$
(Profit)/loss on foreign exchange	1,574,343	5,699,494
Amount of inventories recognised as an expense during the year	147,147,002	141,771,322
Consulting fees	2,960,290	1,780,607
Contractor expenses	2,150,747	1,468,040
Depreciation on right of use assets (note 9)	215,831	199,950
Depreciation on tangible assets (note 8)	594,459	94,671
Restructuring expense *	2,345,844	64,002
Auditor's remuneration - audit of financial statements	99,050	110,369

* The restructuring expense pertains to employee related and accelerated depreciation on cease of use of one lease premises.

7 TAXATION

7a Tax charged in statement of Profit and Loss and Other Comprehensive Income:

	2023	2022
Corporation tax	$	$
- Current year	3,881,997	2,588,592
- Adjustment in respect of prior year	26,222	42,302
	3,908,219	**2,630,894**
Deferred tax		
- Current year	58,625	55,947
- Adjustment in respect of prior year	-	-
	58,625	**55,947**
Tax charged in Statement of Profit and Loss	**3,966,844**	**2,686,841**
Deferred tax		
- Current year	1,639,835	(781,534)
- Adjustment in respect of prior year	-	-
Tax charged in other comprehensive income	**1,639,835**	**(781,534)**
Total tax expense recognised in the statement of profit and loss and other comprehensive income	**5,606,679**	**1,905,307**

The prospective rate of 25% was substantively enacted at the balance sheet date and therefore used in calculating any deferred tax balance at 31 December 2023. Based on the assessment carried out so far, the Company does not expect to be subject to Pillar Two top-up taxes.

7b Reconciliation of the total tax charge

The tax expense recognised in the statement of profit and loss and other comprehensive income for the year is lower than the standard rate of corporation tax in the UK of 23.52 % (2022: 19%). The differences are reconciled as below:

	2023	2022
	$	$
Profit on ordinary activities before tax	16,724,549	14,360,838
Profit on ordinary activities multiplied by the corporation tax rate of 23.52 % (2022: 19%)	3,933,614	2,728,559
Effects of:		
Adjustments in respect of prior years	(23,867)	42,302
Expenses not deductible for tax purposes	90,854	61,562
Expenses deductible for tax purposes		-
Impact of rate changes on deferred tax charge	(19,436)	(39,288)
Capital Allowances	-	34,103
Share Based payment	(15,294)	(172,298)
Adjustments to tax charge in respect of previous periods - deferred tax		-
Others	973	31,901
	3,966,844	2,686,841

At Spring budget 2021, the government announced an increase in corporation tax from 19% to 25% (effective 1 April 2023) and was subsequently enacted on 24 May 2021 The tax rate is taken at 19% for the first three months of the year and 25% for the next 9 months, making the effective tax rate at 23.52%.

7 TAXATION (continued)

7c Deferred Tax Asset

	2023	2022
	$	$
At 1 January	2,581,260	1,855,673
Net movement in profit and loss account	(58,625)	(55,947)
Amount debited to other comprehensive income	(1,639,835)	781,534
At 31 December	**882,800**	**2,581,260**

The deferred tax asset recognised on the statement of financial position consists of the following amounts:

	2023	2022
	$	$
Excess of capital allowances over depreciation	267,254	191,905
Other temporary differences	189,595	477,880
Share based payments	858,766	704,457
Cash flow hedge reserve	(432,815)	1,207,018
	882,800	**2,581,260**

The deferred tax asset movement included in the tax charge recognised in the statement of profit and loss and other comprehensive income consists of the following amounts:

	2023	2022
	$	$
Excess of capital allowances over depreciation	(75,349)	266,683
Other temporary differences	288,283	(196,514)
Share based payments	(154,309)	(14,222)
Cash flow hedge reserve	1,639,835	(781,534)
	1,698,460	**(725,587)**

7d Factors affecting future tax charge

A net deferred tax asset of $882,800 (2022: $2,581,260) has been recognised in the accounts on the basis that the Company will continue to be profit making for the foreseeable future.

8 TANGIBLE ASSETS

	Leasehold Improvement	Furniture and fittings	Computer equipment	Total
	$	$	$	$
COST				
At 1 January 2023	551,897	796,082	114,489	1,462,468
Additions	37,057	12,235	14,685	63,977
Transfer	-	-	-	-
Disposals	-	-	(57,736)	(57,736)
Adjustments	8,819	-	-	8,819
At 31 December 2023	**597,773**	**808,317**	**71,438**	**1,477,528**
DEPRECIATION				
At 1 January 2023	30,048	352,261	78,899	461,208
Charge for the year	303,247	263,862	27,350	594,459
Transfer	-	-	-	-
Disposals	-	-	(57,736)	(57,736)
Adjustments	8,819	-	-	8,819
At 31 December 2023	**342,114**	**616,123**	**48,513**	**1,006,750**
NET BOOK VALUES				
At 31 December 2023	**255,659**	**192,194**	**22,925**	**470,778**
At 31 December 2022	521,849	443,821	35,590	1,001,260

9 RIGHT OF USE ASSETS AND LEASE LIABILITIES

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Office building	
	2023	**2022**
	$	**$**
As at 1 January	1,837,124	1,774,191
Right of use assets- Addition	-	-
Asset Retirement Obligation - Addition	47,866	262,883
Depreciation of right-of-use assets	(215,831)	(199,950)
Modifications*	(1,302,593)	-
As at 31 December	**366,566**	**1,837,124**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2023	**2022**
	$	**$**
As at 1 January	1,680,654	1,770,057
Right of use liabilities- Addition	-	-
Interest expense on Lease Liabilities (note 5)	35,352	36,366
Payments	(224,520)	-
Foreign exchange revaluation	-	(125,769)
Modifications*	(1,428,102)	-
As at 31 December	**63,384**	**1,680,654**
Current	63,384	203,315
Non-current	-	1,477,339
Total	**63,384**	**1,680,654**

Maturity profile of lease liabilities as on 31 December 2023

	2023	**2022**
	$	**$**
Within 1 year	63,384	203,315
After 1 year but within 3 years	-	545,663
After 3 years	-	931,676
Lease liabilities	**63,384**	**1,680,654**

The following are the amounts recognised in profit or loss:

	2023	**2022**
	$	**$**
Depreciation of right-of-use assets	215,831	199,950
Interest expense on lease liabilities	35,352	36,366
	251,183	**236,316**

* The Company has opted for Break Option for location Lotus Park, The Causeway, Staines-Upon-Thames, TW18 3AG, United Kingdom effective from 1 March 2024 given under original lease agreement. This modification tantamount to shortening the lease term.

As shortening the lease term is a reduction in the scope of the lease, the modification is accounted for on the effective date of the modification, i.e. on 31 December 2023. Earlier the lease expiration date was 5 September 2031 whereas revised date is 31 March 2024. The reduction in lease term is accounted for in two steps:

i. Determine the lease term of the modified lease.
ii.Reduce the Right to use asset and lease liability in proportion to the reduction in lease term.

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10 DEBTORS (amounts falling due after one year)

	2023	2022
	$	$
Prepayments and Contract assets	34,365,661	29,627,900
Finance lease receivable (non current) (a)	9,683,520	3,528,752
Deferred tax asset (note 7c)	882,800	2,581,260
Other debtors	2,275,056	-
Other non-current financial assets (note 17.1)	665,441	468,030
Deferred commission costs	314,149	268,774
	48,186,627	**36,474,716**

(a) The finance leases primarily relate to 2023 : Fourteen contracts (2022: eleven contracts) with customers for leasing of Company's equipment on hire. The lease term is between 6 to 54 months (2022: 12 to 48 months) and implicit interest rate in the lease is between 0% to 8.02 % (2022: 2% to 8.02 %).

11 INVENTORIES

	2023	2022
	$	$
Finished goods	2,481,243	1,714,801
Raw materials	1,527,066	1,677,484
	4,008,309	**3,392,285**

12 DEBTORS (amounts falling due within one year)

	2023	2022
	$	$
Trade debtors	98,733,412	109,052,337
Amount owed from group undertakings (a)	2,334,621	600,700
Prepayments and Contract assets	36,935,933	26,288,779
Deferred commission costs	1,463,206	1,362,674
Finance Lease receivable (current) (b) & (c)	7,129,779	3,723,150
Right of return assets (note 3.2)	1,679,783	4,096,838
Corporation tax receivable	-	437,757
Other debtors	294,309	135,308
Other current financial assets (note 17.1)	1,355,546	152,685
	149,926,589	**145,850,228**
Allowance for rebate reserve (note 3.2)	(9,210,578)	(13,601,687)
Allowance for expected credit losses	(351,451)	(389,937)
	140,364,560	**131,858,604**

(a) Amounts due from group undertakings are unsecured interest free and receivable on demand.

(b) The finance leases primarily relate to 2023 : Fifteen contracts (2022: ten contracts) with customers for leasing of Company's equipment on hire. The lease term is between 6 to 54 months (2022: 4 to 60 months) and implicit interest rate in the lease is between 0% to 8.02 % (2022: 0% to 8.02 %).

(c) The following table sets out a maturity analysis of finance lease receivables, showing the undiscounted lease payments to be received after 31 December 2023 and net investment in the lease:

	2023	2022
	$	$
Less than one year	7,928,882	3,941,039
One to two years	6,353,010	2,737,760
Two to three years	1,813,426	944,854
Three to four years	1,813,426	-
Four to five years	906,713	-
Total undiscounted lease payments receivable	**18,815,457**	**7,623,653**
Unearned finance income	(2,002,158)	(371,751)
Net investment in the lease	**16,813,299**	**7,251,902**

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13 CREDITORS (amounts falling due within one year)

	2023	2022
	$	$
Contract liabilities	71,159,785	70,715,417
Amounts owed to group undertakings (a)	28,829,645	30,815,479
Accrued liabilities	8,578,707	8,221,421
VAT payable	6,878,257	11,960,612
Refund liabilities (note 3.2)	11,364,932	7,146,263
Trade creditors and accruals	2,389,688	2,033,873
Other financial liabilities (note 17.2)	276,987	4,570,012
Corporation tax payable	223,704	-
	129,701,705	135,463,077

(a) Amounts due to group undertakings are unsecured interest free and repayable on demand.

14 PROVISIONS FOR LIABILITIES

	Accrued warranty	Asset retirement obligation	Total
	$	$	$
At 1 January 2023	1,082,756	261,253	1,344,009
Addition to provision	-	72,555	72,555
Utilisation of provision	(209,716)	-	(209,716)
At 31 December 2023	873,040	333,808	1,206,848
Current	873,040	-	873,040
Non current	-	333,808	333,808
Total	873,040	333,808	1,206,848

Accrued Warranty

The Company accrues for warranty costs based on associated material, labor for customer support at the time revenue is recognised. This accrual is reported as accrued warranty within current liabilities in the statement of financial position.

15 CREDITORS (amounts falling due after one year)

	2023	2022
	$	$
Contract liabilities	53,182,822	46,728,001
Other financial liabilities (note 17.2)	-	891,108
	53,182,822	47,619,109

16 PENSION COSTS

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund.

The pension cost represents net contributions by the Company to the fund and amounted to $2,106,983 (2022: $1,883,721).

Pension payments due to the scheme at the year end amounted to $ 398,111 (2022: $326,478).

17 OTHER FINANCIAL INSTRUMENTS

17.1 Other Financial Assets

	2023	2022
	$	$
Financial instruments at fair value through OCI		
Cash flow hedges		
Foreign exchange contracts (note 17.3)	2,020,987	620,715
Total other financial assets	**2,020,987**	**620,715**

Financial asset at fair value through other comprehensive income reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge foreign currency transactions relating to forecast transactions.

17.2 Other Financial liabilities

	2023	2022
	$	$
Financial instruments at fair value through OCI		
Cash flow hedges		
Foreign exchange contracts (note 17.3)	276,987	5,461,120
Total other financial liabilities	276,987	5,461,120

Financial liability at fair value through other comprehensive income reflect the change in fair value of foreign exchange contracts, designated as cash flow hedges to hedge foreign currency forecasted transactions.

17.3 Hedging activities and derivatives

Derivative Instruments
The Company uses derivatives to partially offset its market exposure to fluctuations in certain foreign currencies and does not enter into derivatives for speculative or trading purposes.

Derivatives not designated as hedging instruments
The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts in certain currencies are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to 12 months.

Cash flow hedges
Foreign currency risk
Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of forecast transactions in Sterling Pound (GBP). These forecast transactions are highly probable and represent significant portions of the Company's foreign currency transactions.

While the Company also enters into other foreign exchange forward contracts with the intention to reduce the foreign exchange risk of the forecast transactions, these other contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

The foreign exchange forward contract balances vary with the level of expected forecast transactions and changes in foreign exchange forward rates.

	2023	
	Assets	**Liabilities**
Foreign currency forward contracts designated as hedging instruments	$	$
Fair value	2,020,987	276,987

	2022	
	Assets	**Liabilities**
Foreign currency forward contracts designated as hedging instruments	$	$
Fair value	620,715	5,461,120

17 OTHER FINANCIAL INSTRUMENTS (continued)

17.3 Hedging activities and derivatives (continued)

The effect of the hedge ineffectiveness relating to the foreign currency forward contracts was very minimal during the year. This was recognised under (loss)/gain on foreign exchange in statement of profit and loss and other comprehensive income.

The cash flow hedges of the forecasted transactions in 2023 were assessed to be highly effective, and as at 31 December 2023, a net unrealised gain of $2,890,211 (2022: unrealised loss of $7,000,668) was included in other comprehensive income in respect of these contracts.

This represents an decrease of $4,919,489 (2022: increase of $1,807,144) in other comprehensive income. The amounts retained in other comprehensive income at 31 December 2023 are expected to mature and affect the statement of profit and loss in 2024.

The Company applies the fair value hierarchy, which prioritises the inputs used to measure fair value into three levels and bases the categorisation within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement. All derivatives held by the Company are determined to be Level 2. Level 2 represents quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument. These inputs are valued using market based approaches.

17.4 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise trade creditors. The main purpose of these financial liabilities is to finance the Company's operations that derive directly from its operations.

The Company is exposed to market risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework within Juniper Group. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is Juniper Group's policy that no trading in derivatives for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include receivables including finance lease receivables and derivative financial instruments.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 36 months period.

When the nature of the hedge relationship is not an economic hedge, it is the Company's policy to negotiate the terms of the hedging derivatives to match the terms of the underlying hedge items to maximise hedge effectiveness.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including balances with banks and financial institutions, foreign exchange transactions and other financial instruments.

17 OTHER FINANCIAL INSTRUMENTS (continued)

17.4 Financial risk management objectives and policies (continued)

Credit risk (continued)

Financial instruments and bank balances
Financial instruments that subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, trade debtors and derivatives. The Company invests only in high-quality credit instruments and maintains its cash and cash equivalents in fixed income securities with several high-quality institutions.

Liquidity risk
Management of the Company's liquidity risk is achieved mostly through being a part of the larger Juniper Group, which operates group wide policies in this area. The Company holds financial assets primarily in short-term deposits that are readily convertible to known amounts of cash.

18 COMMITMENTS

As of 31 December 2023, the Company has future lease commitments of USD 85k due within next one year.

19 PARENT UNDERTAKINGS AND CONTROLLING PARTIES

The ultimate controlling party and parent undertaking of the smallest and largest group of undertakings of which the Company is a member, and for which group financial statements are drawn up, is Juniper Networks Inc., a company incorporated in Delaware, United States of America. Copies of its group financial statements are available from 1133 Innovation Way, Sunnyvale, CA 94089, United States of America.

The Company's immediate controlling party and immediate parent undertaking as of 31 December 2023 was Juniper Networks International BV.

20 SHARE CAPITAL

The authorised share capital of the Company consists of 50,000 ordinary shares of £1 each.

	2023	2022
Issued and fully paid:	$	$
100 Ordinary shares of £1 each	162	162

21 SHARE-BASED PAYMENT

The ultimate holding company of the Company operates equity incentive compensation programs which include the 2015 Equity Incentive Plan, the 2006 Equity Incentive Plan, and the 2008 Employee Stock Purchase Plan (the "ESPP"). In addition, in connection with certain past acquisitions, the ultimate holding company of the Company has assumed or substituted stock options, restricted stock units ("RSUs"), restricted stock awards ("RSAs"), and performance share awards ("PSAs") granted under the stock plans of the acquired companies. Such awards were converted into or replaced with the Company's stock options, RSUs, RSAs, and PSAs, respectively. Under these plans, the ultimate holding company of the Company has granted RSUs and PSAs for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Company's operation. All awards granted to employees (including directors) are subject to approval in advance by the board of directors of the ultimate holding company. Share-based payments are equity settled transactions.

21 SHARE-BASED PAYMENT (continued)

Employee Stock Purchase Plan

The ESPP permits eligible employees to acquire shares of the ultimate Company's common stock at a 15% discount (as determined in the ESPP) through periodic payroll deductions of up to 10% of base compensation, subject to individual purchase limits of 6,000 shares in any twelve -month period or USD 25,000 worth of stock, determined at the fair market value of the shares at the time the stock purchase option is granted, in one calendar year. The ESPP provides 24 month offering periods with four 6-month purchase periods. A new 24-month offering period will commence every six months thereafter. The purchase price for the ultimate Company's common stock under the ESPP is 85% of the lower of the fair market value of the shares at (1) the beginning of the applicable offering period or (2) the end of each 6 -month purchase period during such offering period. The ESPP will continue in effect until 25 February 2028, unless terminated earlier under the provisions of the ESPP.

The total expense of the employee stock purchase plan for 2023 was $ 718,721 (2022: $ 647,316).

Restricted stock units ("RSUs") and Performance Share Award ("PSAs") Activities

Certain employees of the Company are granted RSUs of the ultimate holding company. The RSUs generally vest over a period of three years from the date of grant, and the vesting generally occurs at a rate of 34% after 12 months, 33% after 24 months and 33% after 36 months from the date of grant. PSAs generally vest over a period of two to three years provided that certain annual performance targets and other vesting criteria are met. Until vested, RSUs and PSAs do not have the voting and dividend participation rights of common stock and the shares underlying the awards are not considered issued and outstanding.

The weighted average fair value of RSUs and PSAs at the date of grant was $28.37 in 2023 (2022: $27.75).

The total expense of RSUs and PSAs for 2023 was $ 3,498,443 (2022: $2,158,425).

22 DISTRIBUTIONS MADE

	2023 $	2022 $
Cash dividends on ordinary shares paid:		
Dividend for 2023: $250,000 per share (2022: Nil)	25,000,000	-

23 Cash and Cash equivalents

	2023 $	2022 $
Cash at bank	15,649,960	16,534,962
Short-term deposits	22,650,527	45,656,108
	38,300,487	62,191,070

Cash and cash equivalents include cash balances on hand, held for the purpose of meeting the short-term cash commitments and short term deposits.Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

24 SUBSEQUENT EVENTS

A. Group Merger & Acquisition :
On January 9, 2024, Hewlett Packard Enterprise (HPE) and Juniper Networks Inc. ("Ultimate holding company" or "Juniper Inc") announced that the companies entered into a definitive Merger Agreement under which HPE will acquire Juniper Inc in an all-cash transaction. Under the terms of this agreement, Juniper Inc shareholders will receive $40.00 per share in cash upon the completion of the transaction, representing an equity value of approximately $14 billion. The transaction is currently expected to close in late calendar year 2024 or early calendar year 2025, subject to receipt of regulatory approvals, approval of the transaction by Juniper Inc shareholders, and satisfaction of other customary closing conditions.

The possible acquisition of Juniper Inc. by HPE as outlined in the definitive Merger Agreement above is not expected to have any impact on the company's ability to continue as a going concern and it is our view that the company will continue to operate at a going concern in the next twelve (12) months from the date of approval of the financial statements for the year ended 31 December 2023.

B. Change in Registered Address:
Effective 01 March 2024, company has change its registered office from 3 Lotus Park, The Causeway, Staines-Upon-Thames, United Kingdom, TW18 3AG, United Kingdom to C/O Rourke House Watermans Business Park, The Causeway, Staines, TW18 3BA , United Kingdom.

25 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board on 24th September 2024.